

NATIONAL SECURITY COUNCIL
on Caribbean Basin
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I will The threat to Central America and the Caribbean has many facets. I will start with Cuba. For a nation of 10 million people, Cuba has displayed a remarkable reach on a worldwide scale. It has 70,000 military and civilian advisors abroad in almost 30 countries. Of these, more than half are military. Over 40,000 are in Africa, and some 7,000 in the Middle East. There are 12,000 Cuban technical trainees working in Czechoslovakia and East Germany, and 5-6,000 studying in the Soviet Union.

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How did this phenomenon develop? Part of it springs from the demographics--the same source--a combination of overpopulation and youth unemployment. Since 1980, there has been a surge in the 15-19 year old age group of 50 percent. Castro has admitted that tens of thousands of youths are out of work. Recently, he said in a speech that he would like to send 10,000 Cuban youths to Siberia to cut timber for Cuban construction projects. They have lots of young men to train and send into other countries--and that's the way to get preferment in government employment in Castro's Cuba.

The other source of Cuba's aggression is Soviet influence and support. The Soviets sell their weapons. Arms sales earn about 20 percent of their hard currency. Last year they gave a billion dollars worth of weapons to Cuba--66,000 tons of equipment, compared with the previous ten-year annual average of 15,000 tons. The new stuff includes 34 MIG-21s and -23s, SA-6s, T-62 tanks, MI-24 helicopters, mine sweepers, and guided missile attack boats.

Today Cuba sits astride the Caribbean with a modernized army of ^{150,000} 150,000 troops, reserves of 100,000 and 200 Soviet MIGs.

NSC review completed.

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In addition to free military equipment, the Soviet Union gives Cuba \$8 million a day, or \$3 billion a year, to keep its economy going. The Russians buy sugar at a premium and sell oil at a discount. There is no way that Cuba could play the role it does in Latin America, Africa and the Middle East without this cash and military support from the Soviet Union.

The Soviets do not extend that kind of support without getting something back that is valuable to them. If the Soviets are to be credited as rational, Cuba's activity as a base and a wedge on our door step has great value to Soviet interests and aspirations.

After trying to export revolution unsuccessfully for over a decade, Cuba scored its first big successes in Angola and Ethiopia, and then just two and a half years ago its most important success in Nicaragua.

There is every indication that Nicaragua is being built up to a superpower on the Central America scale. With a population of about 2 1/2 million, its army of 20,000 active duty troops plus a militia reserve force of an additional 20,000 with 25 T-55 tanks and an expected arrival in coming months of MIG aircraft will achieve military domination over neighboring Honduras, El Salvador, Guatemala and Costa Rica with a combined population seven times theirs. With the help of 1,800 Cuban military and security advisors, 50 Soviets, smaller numbers of East Germans and Bulgarians, Vietnamese, North Koreans, and radical Arabs gathered in Managua, the insurgency in El Salvador is being directed, trained and supplied. Under Cuban and East German guidance, the Sandinista junta is imposing a totalitarian control with a block system of population control on the Cuban model, repression of newspapers, opposition politicians, labor unions, and other private sector leaders.

The repression has created a significant anti-Sandinista movement. The Argentine and Honduran governments are training about 1,000 men in four camps in Honduras. In Caracas, an organization protesting a Cuban takeover in Honduras has been formed with members in Colombia and Mexico as well as Nicaragua and other Central American countries. It's holding a symposium in Caracas on February 22 to offset a Socialist international meeting which will probably support the El Salvador insurgents in Caracas two days later. The reaction of the Sandinistas is to clamp down harder, particularly in the remote eastern part of the country where villages of 100,000 Miskito Indians living there have been attacked by raids from the air. A lot of Indians have been killed and some 5,000 have fled to Honduras where some are being trained for resistance activities.

The conflict in El Salvador pits 5,000 full-time guerrillas and 5,000 support militia against a government army of 16,000 and a national guard, border guards and police aggregating about 9,000 men. Put these uniformed forces together and you have a force with a superiority of 3 or 4 to 1, counting some of the part-time guerrillas. The rule of thumb is that a margin of between 8 and 10 to 1 is needed to defeat a well armed insurgency. The insurgents are being supplied with arms by air, by sea and by land through Honduras from Nicaragua. They are being directed by experienced Cubans and Nicaraguans over a sophisticated communications net located in Nicaragua. The conflict has been stalemated for over a year. Government forces can make large sweeps, and after they return to their bases the guerrillas regain control of many roads, villages and large segments of the countryside. They are now attacking provincial towns and economic targets to intimidate voters from going to the polls in the March election and to depress the economy. As long as the insurgents are able

to attack economic targets, any possible level of economic assistance will not keep up with the economic loss the insurgents can inflict. In an insurgency conflict, unless the government wins it ultimately loses, and that is a prospect for El Salvador as long as the insurgency can be supplied and trained from outside the country.

To achieve a military victory, the government would have to double its forces. Even though there is no trouble recruiting soldiers in El Salvador, there is little insurance as to how long it would take to build the government forces up sufficiently to give them an advantage as long as additional trained guerrillas and the continued flow of arms can be provided from Nicaragua. In addition, the direction of the combat from a central command headquarters through a sophisticated communications system that reaches all the guerrilla factions and units in Nicaragua gives the guerrillas an increasingly valuable advantage over the unsophisticated El Salvador military command. While this is being done, the dynamism of subversion from Cuba and Nicaragua is being extended to Guatemala and Honduras to make it even more difficult to turn the tide.

The insurgency has spread to Guatemala where during this year the number of insurgents more than doubled to 4,500 and trained leaders and arms came in from Cuba and Nicaragua. The Guatemalan government is under heavy pressure and if El Salvador falls there is little chance that Guatemala can survive.

The Honduran government is helping El Salvador by trying to reduce the flow of arms by road and sea from Nicaragua through Honduras into El Salvador. There is no active insurgency in Honduras, but about 100 guerrillas have been trained in Cuba.

To evaluate what is happening here it is important to know that there has been a consistent pattern in developing these insurgencies. Before getting started in Nicaragua, El Salvador, Guatemala, and Honduras, leaders of some 4 or 5 leading leftist factions were brought to Havana and promised support in money, arms and training if they would unify. The resulting cohesion has made the ensuing insurgency more effective. Thus far the Cubans and Nicaraguans have seen their efforts succeed and there have been no indications of a readiness to pull back and negotiate away this success, particularly in El Salvador.

There has been a growing concern on the part of other Latin American countries. Fifteen of them spoke out against the declaration of support for the El Salvador insurgency promulgated by Mexico and France. OAS, by a vote of 22 to 3, supported the elections in El Salvador with only Nicaragua, Mexico and Grenada voting against. This last month Costa Rica, Honduras and El Salvador joined in requesting protection from the United States, Venezuela and Colombia against the threat they perceived in the growing militarization of Nicaragua.

A National Intelligence Estimate made in September concluded that a continuation of the present trends could result in victory for the extreme left in El Salvador, and such a victory would heighten prospects for the revolutionaries in Guatemala. Today the outlook is even more alarming.

When Nicaragua receives Soviet MIGs it can threaten the Panama Canal. Tanks can roll into Honduras and also through Costa Rica to the borders of Panama. In short, Nicaragua will be able to intimidate its neighbors by military force. We see Cuba active training or planting guerrillas in virtually every Latin American country, 600 of them in Colombia. Looking beyond that, a Cuba and a communist Central America organized on the Cuban style with a high level of militarization could constitute a formidable armed force in

Central America that could threaten the Panama Canal and the sea lanes of the Caribbean. An NIE of September 1981 concurred in by the entire Intelligence Community pointed out that success of the Central American subversion "would bring the revolution to the Mexican border, thereby raising the risks of the internal destabilization."

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No loss for Soviet - let situation continue - portray as impotent - move hard.